North Carolina
Retirement Systems

Form 711
Determining and Recording Short-Term Disability Benefits

Print or type in black ink. No erasures, strikeovers or whiteouts permitted. Do not staple pages.

Section A. Employer, provide member information.

First Name	M.I.	Last Name	Member ID

Section B. Employer, calculate the amount of the member's Short-Term Benefit.

1.	**Annual base rate of compensation** as of the last day the full-time employee worked or exhausted leave, in his/her usual occupation. - *If the employee worked two part-time jobs to reach the membership qualification of 30 hours per week, use an annual estimate.*	**Initial Short-Term Disability Calculations**	
2.	**Local supplement,** if applicable. - *Give the dollar amount above the base rate; this amount is not greater than the annual base rate. (See Form 700, Section D, number 7)*	**Initial Short-Term Disability Calculations**	
3.	**Subtotal** - *Add #1 to #2*	**Initial Short-Term Disability Calculations**	
4.	**Annual Longevity** amount and percentage, if applicable. - *See Form 700, Section D, number 8.*	**Initial Short-Term Disability Calculations**	**%**
4a.	If there is no local supplement or if the longevity does not apply to any applicable local supplement, multiply % of longevity times the amount in #1 above; or	**Calculations**	
4b.	If longevity does apply to any applicable local supplement, multiply % of longevity times the amount in # 3 above.	**Calculations**	
5.	**Total adjusted annual compensation** - *Add #3 to #4a or #4b, whichever is applicable.*	**Initial Short-Term Disability Calculations**	
6.	**Monthly rate of compensation** - *Divide #5 by 12 (months).*	**Initial Short-Term Disability Calculations**	

Continue to the next page.

Section B. Employer, calculate the amount of the member's Short-Term Benefit. (Continued)

7.	**Gross monthly Short-Term Benefit** - *Multiply #6 by 50%, not to exceed $3,000. If greater than $3,000, enter $3,000 as the amount.*		**Initial Short-Term Disability Calculations**
	7a.	Calculating the first month of Short-Term Disability (STD) pay (if it is a partial month only): Divide #7 by the number by the total number of calendar days in the first month of STD, then multiply by the number of days the member should receive STD in the first month of STD and pay this amount.	**Calculations**
	7b.	Calculating the last month of STD pay (if the last month is a partial month only): Subtract #7a from #7 and pay this amount. Note: Do not use this calculation if the member was not paid STD Benefits during all applicable days in the first month of STD (e.g., if the member was exhausting leave). Instead, divide #7 by the number of calendar days in the last month of STD, then multiply by the number of days the member should receive STD in the last month of STD and pay this amount.	**Calculations**
	7c.	All STD months between the first partial month and last partial month (i.e., after the first partial month and before the last partial month) are paid the monthly amount calculated in #7 regardless of how many days are in a given month (unless the monthly STD amount is reduced due to returning to work under Trial Rehabilitation or an earnable allowance offset). See Guide A for more information.	**Calculations**

Section C. Employer, record the Short-Term payments.

Use each line to document the member's Short-Term Disability Benefits payment history. If the member exhausted leave or received Worker's Compensation (WC), and/or severance salary continuation during the Short-Term Disability period, record those details in the space provided. A full 365 days of payments must be documented to ensure non-contributory service credit can be added to the member's account.

*Complete the "Less Earnings Reduction" column only if the member exceeded his/her earnable allowance during his/her Short-Term payment period.

Payment Type	Check or Direct Deposit Number (Optional)	Date of Payment	Begin Date of Period Covered	End Date of Period Covered	Gross Amount of Payment	Less Earnings Reduction*	Amount of Payment

Continue to the next page.

Section D. Employer, certify the information you have provided.

I hereby certify that the information provided about the employee named in Section A is true and correct to the best of my knowledge, and if any of this information changes, I will notify the Retirement Systems Division with a revised Form 711.

Employer Contact Signature _____ Date _____

Contact First Name		Contact Last Name	
Employer / Agency		Contact Position Title	
Mailing Address	City	State	Zip Code
Email Address		Phone	

Member Last Name	SSN

Submit the form by mail or email.

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North Carolina
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Form 711 Guides
Determining and Recording Short-Term Disability Benefits

Guide A. What is the DIPNC Short-Term Benefit process?

The Disability Income Plan of North Carolina (DIPNC) provides security to eligible members who have at least one year of retirement membership credit by providing the following:

- **Benefit.** A benefit roughly equal to 50% of the employee's compensation. Note: The Short-Term Benefit period lasts a maximum of 365 days. Since disability benefits may not be effective on the first day of the calendar month, the maximum STD Benefit period may include 13 payments: first partial month, 11 full months, and a final partial month. In the event of death, the employer will pay STD for the entire month in which the death occurred. In the event the member retires following the last month of STD, the employer is required to pay STD through the end of the month prior to the retirement effective date and pay the applicable State Health Plan coverage premiums.
- **Credit.** Retirement credit in the amount of 1/12th year (regardless of employee's retirement service type) for each month while receiving a benefit, unless contributing membership credit is applicable.
- **Health Coverage.** If an employee has 5 years of retirement membership service, under current law, he or she is eligible for paid individual coverage under the State Health Plan's 70/30 Plan.

Under the Disability Income Plan, the employer funds the Benefit and the health coverage premiums during the Short-Term.

The following is an overview of the Short-Term Benefit process. The individual forms for the Disability Income Plan of North Carolina give detailed instructions.

TO BEGIN SHORT-TERM BENEFITS		
Step	Action	Form
1.	Member submits a completed application for Short-Term Benefits (Form 701) to his/her employer along with Form 703, Form 7A, medical documentation to support disabling condition, and a job description (provided by his/her employer).	701 703 7A MED JD
2.	Employer completes sections A through C of Form 700, and submits the form to the Retirement Systems Division at the appropriate time.	700
3.	Employer completes Form 711 to determine the amount of the member's Short-Term Benefit.	711
4.	Member submits Form 703 (Earnings and Medical Report) to his/her employer.	703
EACH MONTH DURING THE SHORT-TERM PERIOD		
Step	Action	Form
1.	Member submits Form 703 (Earnings and Medical Report) on the first day of each calendar month within the Short-Term period to his/her employer.	703
2.	Employer should record the Benefit paid to the member each month on Form 711.	711
NEAR THE END OF THE SHORT-TERM PERIOD		
Step	Action	Form
1.	If the member is eligible for additional benefits, he/she should submit an application (Form 704) approximately three months before the end of his/her Short-Term period along with other required documents. See Form 704 Guides for details.	704

Guide B. How do I complete the Form 711?

Please follow the instructions provided in Section B of this form to calculate the member's Short-Term Benefit.

The following information serves as a guide to completing Section C of this form.

- Use each line, starting from the top left side of the chart, to record the Short-Term payments you paid to your employee in chronological order.
- The check or direct deposit number requested in the chart should correspond to the check or transaction number of the direct deposit.
- "Date of payment" should be the day the check was issued or the direct deposit transaction was made.
- The "date of payment" should occur after the "end date of period covered."
- Record the gross payment amount. This is the amount before any deductions or taxes.

These guides are subject to and governed by the General Statutes of the State of North Carolina.

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